Bank of India employees in service on the notified date were given an opportunity to exercise their option for pension within 120 days from the notified date.

(c) There have been demands of workmen unions/officers' associations for giving another opportunity to employees for one more option for pension. This issue was also discussed in the VIII Bipartite Settlement, but IBA expressed its inability to extend the present Pension Scheme to those who had not opted for it. However, both the parties agreed to take up alternative proposals.

Shifting from LIBOR to MIBOR

866. SHRI K. RAMA MOHANA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has directed banks, primary dealers and corporates to stop using London Inter-Bank Offer Rate (LIBOR) as the benchmark rate and opt for rupee benchmarks like Mumbai Inter-bank Offer Rate (MIBOR) for interest rate derivatives;

(b) whether it is also a fact that the existing interest rate norms were announced in 1999;and

(c) if so, the reasons for shifting from LIBOR to MIBOR?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Yes, Sir. Keeping in view the increased debt and liquidity in the money markets following the limits placed on call money, development of inter bank term deposits, market repos, Collateralised Borrowing and Lending Obligation (CBLOs), Commercial Papers (CPs), Certificate of Deposits (CDs) and increased issuance and activity in treasury bills, Reserve Bank of India has advised banks, primary dealers and all India financial institutions *vide* its circular dated 20.05.2005 to henceforth use domestic rupee benchmarks for INR denominated interest rate derivatives which includes MIBOR. The existing guidelines on forward rate agreements/interest rate swaps were announced on July 7,1999.